

08-28-00

A

BOX  
PATENT APPLICATION

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Attorney Docket No. 2530

TRANSMITTAL LETTER

Bellevue, Washington 98007

August 25, 2000

TO THE ASSISTANT COMMISSIONER FOR PATENTS:

Transmitted herewith for filing under 137 C.F.R. § 1.53(b) by Express Mail is the

- X   a. complete  
       b. incomplete

patent application of: Barnaby Merrick HARFORD, Sendi WIDJAJA, Maja BOGDANOVIC and Clair HECTOR,

Title: **SYSTEM AND METHOD FOR MATCHING AN OFFER WITH A QUOTE**

- X   1. An application consisting of   49   pages of cover sheet, specification and claims and   13   sheets of formal drawings is attached.
- X   2. A newly executed Declaration and Power of Attorney is attached.
- X   3. An Assignment of the invention to Microsoft Corporation is attached. A Cover Sheet prepared in accordance with 37 C.F.R. § 3.31 is attached to the Assignment. Please record this Assignment in accordance with 37 C.F.R. § 3.11. The enclosed credit card payment form includes the \$40 Assignment fee.
- X   4. A filing date in accordance with 37 C.F.R. § 1.10 is requested. The Express Mail Certificate appears on the preceding page.
- X   5. The following additional documents are enclosed: Certificate of Express Mail, Petition to Make Special, 11 Patent References, Return Postcard.

08/25/00  
JC900 U.S. PTO

08/25/00  
JC900 U.S. PTO  
09/648124

09648124-082500

COMPUTATION OF FEE

	Number Filed		Number Extra		Rate		Basic Rate \$690.00
Total Claims	37	=	17	x	\$18/\$9	=	306.00
Independent Claims	5	=	2	x	\$78/\$39	=	156.00
Multiple Dependent Claims	-0-		---		\$260/\$130	=	
<b>TOTAL</b>							<b>\$1152.00</b>

  X   6. A Credit Card Payment form authorizing charges in the amount of \$1322.00 to cover the total fee as computed above plus the \$130.00 Petition to Make Special fee and 40.00 Assignment fee is enclosed.

Please address all further correspondence to:

**MICHALIK & WYLIE<sup>PLLC</sup>**

14645 Bel-Red Road

Suite 103

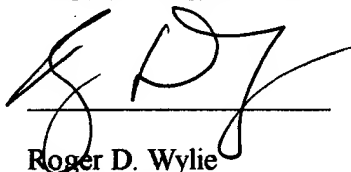
Bellevue, WA 98007

Phone: (425) 653-3520

fax: (425) 653-3603

Respectfully submitted,

**MICHALIK & WYLIE<sup>PLLC</sup>**



Roger D. Wylie

Registration No.   36,974  

005230-1218450

In re Application of HARFORD et al.  
Attorney Docket No. 2530

CERTIFICATE OF MAILING BY "EXPRESS MAIL"

"Express Mail" mailing label number EE591456241US

Date of Deposit: August 25, 2000

I hereby certify that the following documents:

New Patent Application in the name of Barnaby Merrick HARFORD, Sendi WIDJAJA, Maja BOGDANOVIC and Clair HECTOR for "**System And Method For Matching An Offer With A Quote,**" including 1 Page Cover Sheet, 36 Pages Specification, 11 Pages Claims, 1 Page Abstract, 13 Sheets Of Drawings, Transmittal Sheet, Credit Card Payment Form, Petition to Make Special, Eleven References, Executed Declaration and Power of Attorney, Assignment Recordation Cover Sheet and Assignment

are being deposited with the United States Postal Service "Express Mail Post Office To Addressee" Service under 37 C.F.R. 1.10 on the date indicated above and is addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231.

Sherie L. Dodson

(Typed or printed name of person mailing paper or fee)



(Signature of person mailing paper or fee)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Harford et al.

Attorney Docket No. 2530

Filed: Concurrently Herewith

Express Mail Number: EE591456241US

Title: SYSTEM AND METHOD FOR MATCHING AN OFFER WITH A QUOTE



**PETITION TO MAKE SPECIAL UNDER M.P.E.P. 708.02 VIII**

Bellevue, Washington 98007

August 25, 2000

TO THE ASSISTANT COMMISSIONER FOR PATENTS:

In accordance with the provisions of M.P.E.P. 708.02 VIII, applicants respectfully petition to make special the above-identified application filed concurrently herewith. The required petition fee of \$130, as set forth in 37 C.F.R. 1.17(i), is included with this petition. As a basis for granting this petition, applicants submit the following statements and discussion.

For the sake of clarity, only the independent Claims of the application are discussed in this petition. Applicants submit that the independent Claims are allowable over the references found in the search, and therefore the dependent Claims are allowable at least because they are dependent upon allowable Claims. Nevertheless, applicants submit that the dependent Claims further define additional subject matter not shown or described in the prior art.

09/06/2000 BALEXAND 00000007 09648124

04 FC:122

130.00 OP

The present application includes five independent Claims: Claims 1, 9, 16, 26, and 32. Claim 1 is directed to a computer-implemented method of matching an offer for a product with a supplier, comprising receiving the offer from a customer machine; obtaining at least one quote for the product from each of a plurality of suppliers and obtaining at least two quotes from one supplier in the plurality of suppliers, a first quote from the one supplier being lower than a second quote from the one supplier; identifying a qualifying quote for the product from each of the quotes obtained from the plurality of suppliers; comparing the qualifying quotes from each of the quotes obtained to identify a most-preferential quote of the qualifying quotes; if the offer exceeds the most-preferential quote, matching the offer with the supplier corresponding to the most-preferential quote; and evaluating any other quotes provided by the supplier corresponding to the most-preferential quote.

Claim 9 is directed to a computer-readable medium having computer-executable instructions, including receiving from a customer machine an offer representing a value that the customer is willing to exchange for a product; receiving a set of quotes from each of a plurality of suppliers to provide the product, and receiving at least two quotes from one supplier in the plurality of suppliers, a first quote from the one supplier being lower than a second quote from the one supplier; ranking each supplier in the plurality of suppliers according to the value of at least one quote in the set of quotes received from each supplier; selecting a highest ranked supplier from the plurality of suppliers; matching

the offer from the customer with the highest ranked supplier; and evaluating any other quotes provided by the supplier corresponding to the most-preferential quote.

Claim 16 is directed to a computer-implemented method for matching an offer for a product with a supplier, comprising receiving the offer from a customer machine, the offer identifying a price and a minimum acceptable quality for the product; calculating a first value based on the offer that reflects a desired margin; obtaining at least one quote for the product from each of a plurality of suppliers, each quote identifying a price for the product that the corresponding supplier is ready to accept, each product having a rating for the quality of the product being quoted by the corresponding supplier; selecting one quote from each of the suppliers; for those suppliers for which the one quote provided is below the second value, ranking those suppliers based on the rating associated with the product being quoted by the supplier; and selecting a most preferentially-ranked supplier as the match for the offer.

Claim 26 is directed to computer-readable medium having computer executable instructions comprising receiving an offer from a customer for a product, the product being subject to a criterion; calculating a first value, based on the offer, above which a quote for the product is not economically desirable; calculating a second value based on the offer that reflects a desired margin; obtaining from a plurality of suppliers at least one quote for the product, each quote including a price at which the corresponding supplier is prepared to provide the product and including a rating associated with the criterion of the particular product quoted by the corresponding supplier; discarding from the plurality of

suppliers those suppliers that do not provide a quote below the first value; for those suppliers for which the one quote falls between the first value and the second value, ranking each supplier in the plurality of suppliers based on one quote provided by the suppliers, wherein the suppliers are ranked based on the price associated with the one quote provided by the suppliers; for those suppliers for which the one quote falls below the second value, ranking each supplier based on the one quote provided, wherein the suppliers are ranked based upon the criterion; and matching the offer with a most-preferentially ranked supplier.

Claim 32 is directed to a computer system for satisfying offers with quotes, comprising: an electronic travel agent, including a web server component configured to interface with a customer machine over a network connection and receive from the customer machine an offer for a product, the offer identifying a price for the product and a minimum quality rating for the product; a travel server component configured to obtain from each supplier in a plurality of suppliers, at least one quote to provide the product at a price and at a particular quality rating; a sorter component configured to rank the suppliers according to one quote provided by each of the plurality of suppliers with preferential rankings being awarded based on the quality rating associated with the corresponding quote; and the electronic travel agent being further configured to match the offer with a most-preferentially ranked supplier and to negotiate a purchase of the product from the most preferentially-ranked supplier.

A search of the prior art was conducted by a professional searcher at the request of applicants' attorneys. The search was conducted in Class 705, subclasses 5 and 37, and via a patents computer database. The patents developed by the search are listed below.

<u>Patent No.</u>	<u>Inventor(s)</u>
6,085,169	Walker et al.
6,085,164	Smith et al.
6,023,501	Wakamatsu
6,023,685	Brett et al.
6,014,644	Erickson
6,012,045	Barzilai et al.
5,995,602	Johnson et al.
5,897,620	Walker et al.
5,802,502	Gell et al.
5,797,127	Walker et al.
5,570,283	Shoolery et al.

Copies of each of these references are enclosed.

Walker et al. '169 (6,085,169) is directed to a system for receiving a conditional purchase offer (CPO) from a customer, and evaluating the received CPO against a number of CPO rules defined by a plurality of sellers, to determine if any of the sellers are willing to accept the CPO.

Smith et al. (6,085,164) is directed to an inventory control method and architecture that maximizes revenues derived from the sale of a given inventory resource to a customer. The method uses a continuous nested execution environment that allows a determination of a minimum acceptable price by continuously computing an optimal sale price based on current demand and supply and expected cancellations.



Wakamatsu (6,023,501) discloses a method for minimizing the cost of a call. A caller is connected using the least expensive connection available. For the duration of the call, a database is repeatedly searched for a route having a cost lower than the cost of a previously determined route. If the route of lower cost is detected, a new connection is established along the lower cost route, instead of the currently established connection. Johnson et al. (5,995,602) is also directed to minimizing the cost of a call by selected a least expensive route for the call.

Brett et al. (6,023,685) disclose a bid system in which multiple customers place bids for seats to an event (e.g., a concert), by designating a price and section. The bids for a section are collected, and the highest bids receive tickets for that section.

Erickson (6,014,644) discloses a computer system that utilizes a database that maintains information about sellers and buyers of goods and services. The database may be queried, or a buyer or seller may generate a "data cast object" requesting a transaction. All responses and replies are stored in the object, and the object may generate reminders as needed.

Barzilai et al. (6,012,045) disclose an online bid system in which a user may submit multiple bids, and only the lowest high bid is utilized until additional purchasers bid above the lowest high of the user.

Walker et al. '620 (5,897,620) is directed to a system for matching an unspecified time ticket with a flight. A plurality of flights are queried which satisfy the terms of the unspecified time ticket and a flight is selected accordingly.

Gell et al. (5,802,502) is directed to a system for selecting a communications service provider, wherein a plurality of providers are polled for the price of services and a selection is made based upon price, as well as additional factors such as service quality.

Walker et al. '127 (5,797,127) disclose a program for determining a price of an option to purchase an airline ticket, and for facilitating the sale and exercise of those options. By purchasing an option, a customer can lock in a specified airfare without tying up his money and without risking the loss of the ticket price if his travel plans change. Pricing of the options may be based on departure location criteria, destination location criteria, and travel criteria.

Shoolery et al. (5,570,283) is directed to a computerized reservation system, and is not directed to a bid process.

The references above do not disclose or make obvious the invention of Claim 1 and Claim 9. Briefly stated, Claim 1 and 9 are directed to a computer-implemented method and a computer medium that includes instructions that match offers by consumers for products with quotes for the products from providers. At least one provider provides different quotes for the same product. For instance, a hotel may return two or more different rates for the same hotel room. Each of the providers is ranked according to the most preferential quote provided by each provider. The provider offering the most preferential quote is selected as a match for the offer. At that point, other quotes submitted by the provider may be evaluated.

09643124-082500

By providing a method by which higher quotes from a provider may be evaluated, the method of Claims 1 and 9 creates an incentive for a provider to quote its products at very low rates, sometimes even below cost. Although the lower offers from the supplier may be utilized (for example, when other offers by the supplier do not meet the cost restraints of the offer), the method provides a system by which the provider may have a higher offer at least evaluated, and possibly used to satisfy the customer's offer, that would not have been used if it were the only quote by the supplier. Thus, the methods of Claims 1 and 9 improve over existing electronic travel agents in that the first provider offering a satisfactory rate is not necessarily the provider selected. Rather, the lowest of multiple potential providers is selected, thereby improving the likelihood of a greater profit. Moreover, and importantly, each provider may quote different rates for the same products (defined in the Claim by one of the providers providing "at least two quotes"). By submitting low quotes, the supplier may have its other, most likely higher quotes, evaluated by the method of the present invention. The method therefore provides incentive for suppliers to provide low offers. None of the travel service systems or other systems disclosed in the above references utilize such a system of selecting a most preferential quote from among many quotes, and evaluating further quotes from the supplier of the most preferential quotes based upon that selection. For at least these reasons, applicants submit that the references do not disclose or make obvious the invention of Claims 1-15.

Claim 16 is also not disclosed or made obvious by the references found in the search. The method of Claim 16 provides a system by which a customer may provide an offer having a price and minimum quality, and if the customer offers higher than a minimum needed to receive that quality, is rewarded by receiving a product having a higher quality. In this aspect of the invention, the offer provided by the consumer identifies a rating, such as a star rating for a hotel, that the consumer is willing to accept. The queries made to potential providers may additionally request the rating of the products being quoted. Then, the system may identify as the offer winner the potential provider quoting the highest rating that at least satisfies the consumer's offer and that meets the desired profit margin of the system. In this way, if a provider quotes a rate that satisfies the consumer's price offer and that has a higher rating than acceptable by the consumer, the consumer is rewarded with better-than-acceptable accommodations at the desired price. None of the references disclose such a system.

Gell et al. discuss a system for selecting a communications service provider, wherein a plurality of providers are polled for the price of services and a selection is made based upon price, as well as additional factors such as service quality. Applicants submit that this reference is not analogous art to the present invention, because it does not involve receiving an offer from a consumer. This distinction is important, because in Gell et al., quality and price is factored by the communications network to determine whether it would be valuable to pay extra to have additional quality. The communications network is not evaluating the quality and price information against an offer made by a consumer. In

contrast, the method of Claim 16 receives an offer from the consumer, and the consumer does not know what price would provide a higher quality product. Instead, the customer is incentivized to provide higher offers for products in hope that he will get a better quality product. This motivation is not present in the system of Gell et al., because customers are not making offers for a product. For at least these reasons, applicants submit that Claims 16-25 are not disclosed or made obvious by the prior art found in the search.

Similarly, Claim 26 is directed to a offer and quote method wherein two values are set, and wherein ranking of provider quotes occurs between the two values based upon price, and below the lowest value based upon an alternate criterion. This method is also not shown or made obvious by the prior art found in the search. Thus, for at least these reasons, Claims 26-31 are allowable over the references.

Claim 32 is directed to a computer system having an electronic travel agent designed to rank suppliers according to one quote provided by each of the suppliers with preferential rankings being awarded based on the quality rating associated with the corresponding quote. As discussed above, none of the electronic travel agents found in the search include such features. For at least these reasons, applicants submit that Claims 32-37 are not disclosed or made obvious by the references found in the search.

#### Conclusion

For the reasons set forth above, applicants submit that the invention disclosed and Claimed is novel and unobvious in light of the prior art located in the search. Therefore,


In re Application of HARFORD ET AL.  
Express Mail No. EE591456241US

applicants submit that this petition to make special should be granted and early action in the application is in order.

If the Office determines that all the Claims presented are not directed to a single invention, applicants will make an election without traverse as a prerequisite to the grant of special status. If in the opinion of the Office a telephone conference would expedite the prosecution of the subject application, the Office is invited to call the undersigned attorney at (425) 653-3571.

Signed at Bellevue, in the County of King, and State of Washington, August 25, 2000.

Respectfully submitted,

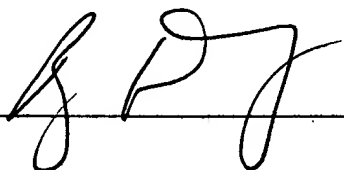


---

Roger D. Wylie, Registration No. 36,974  
Attorney for Applicants  
Michalik & Wylie<sup>PLLC</sup>  
14645 Bel-Red Rd.  
Suite 103  
Bellevue, Washington 98007

I hereby certify that this Petition is being deposited with the U.S. Postal Service in a sealed envelope as first class mail with postage thereon fully prepaid addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231, on August 25, 2000.

Date: August 25, 2000



---

09648124-082500